

14 March 2016



Dubbo Zirconia Project Environment Protection Licence Granted

DUBBO ZIRCONIA PROJECT (DZP)

Zirconium, hafnium, niobium, yttrium, rare earth elements

Australian Zirconia Ltd (AZL) 100%

AZL, a wholly owned subsidiary of the Company, has received notification of granting of the Environment Protection Licence for the Dubbo Zirconia Project.

The NSW Environment Protection Authority (EPA) has granted an Environment Protection Licence (EPL) covering the construction period for the DZP.

The EPL specifies the project emission limits to air, land and water, and details environmental monitoring and reporting requirements. Part of the EPL terms include the payment of a licence fee by AZL to effectively fund the EPA to monitor the project's compliance. Full terms of the EPL have been published on the EPA register at

<http://www.epa.nsw.gov.au/prpoeoapp/ViewPOEOLicence.aspx?DOCID=70860&SYSUID=1&LICID=20702>

The news has been welcomed by both Deputy Premier NSW and Member for Dubbo, Troy Grant, and Minister for Industry, Resources and Energy, Anthony Roberts who have issued a joint media release acknowledging the Company has met the rigorous government approval process in place for new mining ventures in NSW:

http://www.resourcesandenergy.nsw.gov.au/_data/assets/pdf_file/0008/597986/Billion-Dollar-Dubbo-Mine-an-Economic-Boon.pdf

The Company has now received the required approvals for the project to proceed:

- Approval from the New South Wales Planning Assessment Commission (PAC), as delegate for the NSW Minister of Planning and Environment (announced 2 June 2015),
- Approval from NSW Department of Industry, Division of Resources and Energy for the granting of the necessary mining lease (announced 21 December 2015), and
- Approval from the EPA covering the construction period of the project.

In addition approval has been granted under the federal Environment Protection and Biodiversity Conservation Act 1999 for the proposed mining of the Toongi deposit (announced 25 August 2015).

This latest consent is the final major step in the approvals process required to enable AZL to progress with construction, subject to financing.

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ABOUT ALKANE - www.alkane.com.au - ASX: ALK and OTCQX: ANLKY

Alkane is a multi-commodity company focused in Central West region of NSW, Australia. Currently Alkane has two advanced projects - the Tomingley Gold Operations (TGO) and the nearby Dubbo Zirconia Project (DZP). Tomingley commenced production early 2014. Cash flow from the TGO will provide the funding to maintain the project development pipeline and will assist with the pre-construction development of the DZP.

The NSW Planning Assessment Commission granted development approval for the DZP on 28 May 2015 and on 24 August 2015 the Company received notification that the federal Department of the Environment has assessed the mining project and its impacts, and has given its approval for the development. Mining Lease 1724 was granted on 18 December 2015. Financing is in progress and this project will make Alkane a strategic and significant world producer of zirconium, hafnium and rare earth products when it commences production in 2018.

Alkane's most advanced gold copper exploration projects are at the 100% Alkane owned Wellington and Bodangora prospects, and Elsiehora farm-in. Wellington has a small copper-gold deposit which can be expanded, while at Bodangora a large 12km² monzonite intrusive complex has been identified with porphyry style gold copper mineralisation. Encouraging gold mineralisation was drilled at Elsiehora early in 2015.

